

# Office of the State Board of Education

Analyst: Freeman

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2008 Total App</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Approp</b>	<b>FY 2010 Request</b>	<b>FY 2010 Gov Rec</b>
<b>BY FUND CATEGORY</b>					
General	10,820,700	5,675,200	5,127,000	6,552,800	2,374,600
Dedicated	525,400	290,700	161,000	185,600	185,100
Federal	8,536,600	6,536,700	8,689,800	8,995,300	1,620,500
<b>Total:</b>	<b>19,882,700</b>	<b>12,502,600</b>	<b>13,977,800</b>	<b>15,733,700</b>	<b>4,180,200</b>
Percent Change:		(37.1%)	11.8%	12.6%	(70.1%)
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	2,111,700	1,633,900	2,303,400	2,429,100	1,644,000
Operating Expenditures	10,506,900	10,155,500	9,712,300	11,283,500	2,242,900
Capital Outlay	2,000	0	0	1,500	1,500
Trustee/Benefit	6,962,100	439,800	1,962,100	2,019,600	291,800
Lump Sum	300,000	273,400	0	0	0
<b>Total:</b>	<b>19,882,700</b>	<b>12,502,600</b>	<b>13,977,800</b>	<b>15,733,700</b>	<b>4,180,200</b>
Full-Time Positions (FTP)	27.00	27.00	28.00	30.00	22.50

## Division Description

The Office of the State Board of Education (OSBE) provides professional staff support to the State Board of Education. Staff expertise focuses primarily on program evaluation, fiscal oversight and centralized record keeping. OSBE staff also responds to Board requests for special studies, monitors agency compliance with Board policies, and administers the state-funded financial aid programs.

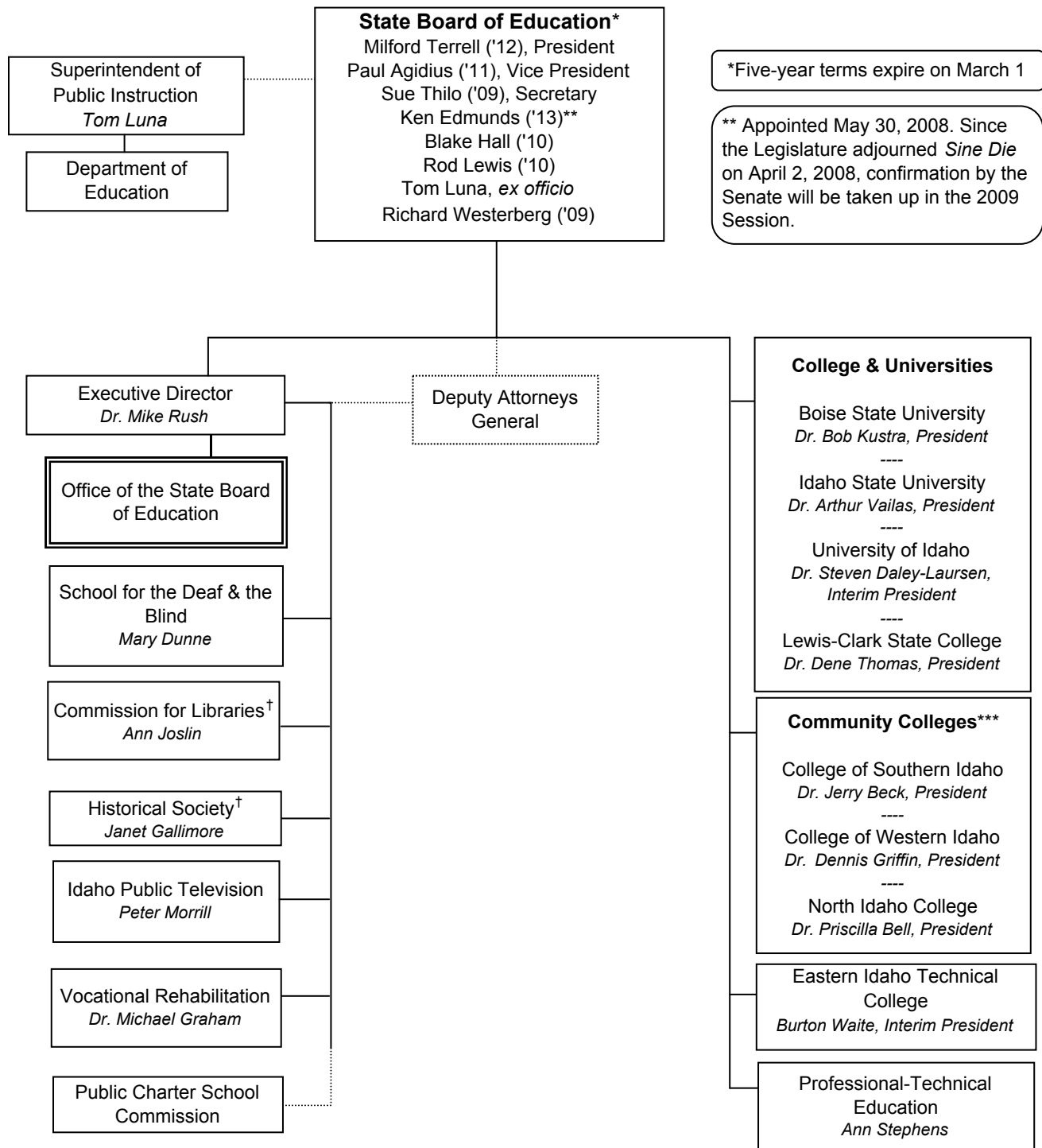
The State Board of Education (SBOE) is responsible for the general supervision, governance, and control of Idaho's public education system from kindergarten through the doctoral level, including oversight of public schools and the community colleges.

The Board is composed of eight members, seven of whom are appointed to five-year terms by the Governor subject to Senate confirmation. The eighth member is the holder of the statewide elected office of the Superintendent of Public Instruction. The Board holds six regular meetings each year on the campuses of Idaho's public institutions. The Board also meets in January during the Legislative Session, holds a college and universities fee setting meeting in April, and calls additional special meetings as needed.

# Office of the State Board of Education Agency Profile

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## State Board of Education Organizational Chart



\*\*\* Governed by locally elected boards (SBOE approves budget and all program offerings)

† Governed by separate boards, the members of which are appointed by the SBOE

# Office of the State Board of Education

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## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2009 Original Appropriation</b>	<b>28.00</b>	<b>5,127,000</b>	<b>13,977,800</b>	<b>28.00</b>	<b>5,127,000</b>	<b>13,977,800</b>
Omnibus Rescission	0.00	0	0	0.00	(205,100)	(205,100)
Health Insurance Reduction	0.00	0	0	0.00	(9,500)	(14,000)
<b>FY 2009 Total Appropriation</b>	<b>28.00</b>	<b>5,127,000</b>	<b>13,977,800</b>	<b>28.00</b>	<b>4,912,400</b>	<b>13,758,700</b>
FTP adjustment and Non-cognizable funds	0.50	0	330,100	0.50	0	330,100
<b>FY 2009 Estimated Expenditures</b>	<b>28.50</b>	<b>5,127,000</b>	<b>14,307,900</b>	<b>28.50</b>	<b>4,912,400</b>	<b>14,088,800</b>
Removal of One-Time Expenditures	(0.50)	0	(330,100)	(0.50)	0	(330,100)
Additional Base Adjustment	0.00	0	0	0.00	(147,400)	(147,400)
<b>FY 2010 Base</b>	<b>28.00</b>	<b>5,127,000</b>	<b>13,977,800</b>	<b>28.00</b>	<b>4,765,000</b>	<b>13,611,300</b>
Benefit Costs	0.00	35,200	35,200	0.00	21,200	21,200
Inflationary Adjustments	0.00	338,400	338,400	0.00	154,000	154,000
Statewide Cost Allocation	0.00	18,100	18,100	0.00	18,100	18,100
Change in Employee Compensation	0.00	59,500	59,500	0.00	0	0
<b>FY 2010 Program Maintenance</b>	<b>28.00</b>	<b>5,578,200</b>	<b>14,429,000</b>	<b>28.00</b>	<b>4,958,300</b>	<b>13,804,600</b>
1. ISAT 9th Grade Testing	0.00	900,000	900,000	0.00	0	0
2. Education Comm'n of the States Dues	0.00	60,500	60,500	0.00	0	0
3. Charter School Comm'n Assistant	0.50	14,100	14,100	0.00	0	0
4. College Access Grant	0.50	0	330,100	0.50	0	329,100
5. Educational Technology Pgm Mgr	1.00	0	0	0.00	0	0
6. Gov's Initiative: SBOE reorg	0.00	0	0	(3.00)	0	(2,957,500)
7. Gov's Initiative: SBOE reorg	0.00	0	0	(3.00)	(2,583,700)	(6,996,000)
<b>FY 2010 Total</b>	<b>30.00</b>	<b>6,552,800</b>	<b>15,733,700</b>	<b>22.50</b>	<b>2,374,600</b>	<b>4,180,200</b>
Change from Original Appropriation	2.00	1,425,800	1,755,900	(5.50)	(2,752,400)	(9,797,600)
% Change from Original Appropriation		27.8%	12.6%		(53.7%)	(70.1%)

# Office of the State Board of Education

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2009 Original Appropriation</b>	28.00	5,127,000	161,000	8,689,800	13,977,800
<b>Omnibus Rescission</b>					
Agency Request	0.00	0	0	0	0
<i>General Fund holdbacks, as directed by Executive Orders 2008-3, and 2008-5, are incorporated as a rescission that reduces the General Fund by 4.0% for FY 2009.</i>					
Governor's Recommendation	0.00	(205,100)	0	0	(205,100)
<b>Health Insurance Reduction</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends reducing the funding for health insurance by \$500 per FTP, using reserves to offset the increased costs of health insurance for the state for FY 2009 and FY 2010.</i>					
Governor's Recommendation	0.00	(9,500)	0	(4,500)	(14,000)
<b>FY 2009 Total Appropriation</b>					
Agency Request	28.00	5,127,000	161,000	8,689,800	13,977,800
Governor's Recommendation	28.00	4,912,400	161,000	8,685,300	13,758,700
<b>FTP adjustment and Non-cognizable funds</b>					
<i>Federal non-cognizable funds were received in FY 2009 for the College Access Grant (see also corresponding line item #4).</i>					
Agency Request	0.50	0	24,600	305,500	330,100
Governor's Recommendation	0.50	0	24,600	305,500	330,100
<b>FY 2009 Estimated Expenditures</b>					
Agency Request	28.50	5,127,000	185,600	8,995,300	14,307,900
Governor's Recommendation	28.50	4,912,400	185,600	8,990,800	14,088,800
<b>Removal of One-Time Expenditures</b>					
<i>Reflects removal of non-cognizable funds.</i>					
Agency Request	(0.50)	0	(24,600)	(305,500)	(330,100)
Governor's Recommendation	(0.50)	0	(24,600)	(305,500)	(330,100)
<b>Additional Base Adjustment</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends an ongoing base reduction to balance the state budget. This represents an additional 2.9% reduction for the agency bringing the FY 2010 Base 7.1% below the ongoing FY 2009 General Fund Original Appropriation.</i>					
Governor's Recommendation	0.00	(147,400)	0	0	(147,400)
<b>FY 2010 Base</b>					
Agency Request	28.00	5,127,000	161,000	8,689,800	13,977,800
Governor's Recommendation	28.00	4,765,000	161,000	8,685,300	13,611,300
<b>Benefit Costs</b>					
<i>Provides \$900 per position, which equates to a 10.4% increase for employer-paid health insurance. Also, includes a 19% reduction in life and disability insurance rates from 1.1% to 0.9% of salary for eligible employees.</i>					
Agency Request	0.00	35,200	0	0	35,200
<i>The Governor recommends providing an increase of \$400 per FTP and making changes to the health insurance benefits contract to meet expected costs. Including the rescission to reduce health insurance benefit costs in FY 2009 by \$500 per FTP, employer costs per FTP for FY 2010 will be \$8,600.</i>					
Governor's Recommendation	0.00	21,200	0	0	21,200

# Office of the State Board of Education

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Inflationary Adjustments</b>					
Inflationary increases are calculated using the ongoing base for operating expenditures and trustee & benefit payments multiplied by an agency-specific inflation factor. The inflationary adjustment reflects a 1.39% increase in the General Fund and a 1.38% increase in total funds. Also includes \$154,000 (\$59,000 General, \$95,000 federal) for assessment contract inflation.					
Agency Request	0.00	338,400	0	0	338,400
<i>General inflation not recommended by the Governor. Contract inflation for student assessment vendor and corresponding fund shift from federal funds to General Fund recommended.</i>					
Governor's Recommendation	0.00	154,000	0	0	154,000
<b>Statewide Cost Allocation</b>					
The request includes adjustments to recover the costs of services provided to state agencies: \$19,900 for Attorney General fees; a reduction of \$100 for property and casualty insurance premiums; a reduction of \$1,200 for State Controller fees; and a reduction of \$500 for State Treasurer fees.					
Agency Request	0.00	18,100	0	0	18,100
Governor's Recommendation	0.00	18,100	0	0	18,100
<b>Change in Employee Compensation</b>					
Agencies were instructed to calculate a 3% salary increase in the appropriation request.					
Agency Request	0.00	59,500	0	0	59,500
<i>While increasing salaries of state workers continues to be a priority for the Governor, the current economic situation does not provide the funds to recommend an increase in FY 2010. When economic conditions improve, the Governor will once again seek to improve compensation for all state employees.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>FY 2010 Program Maintenance</b>					
Agency Request	28.00	5,578,200	161,000	8,689,800	14,429,000
Governor's Recommendation	28.00	4,958,300	161,000	8,685,300	13,804,600

## 1. ISAT 9th Grade Testing

This request would provide ongoing funding to reinstate ISAT assessment (spring only) for 9th grade students. Currently, the ISAT is provided to 3rd through 8th and 10th grade students using federal and state funds. Testing for 9th grade students is not required under the No Child Left Behind Act. Since passage of the ISAT in the 10th grade is a requirement for graduation, the 9th grade test is thought to be an especially important assessment tool and indicator of student progress. The ISAT is required for grades 2 -10 pursuant to administrative rule (IDAPA 08.02.03.111.06), but 2nd and 9th grade testing were waived by the State Board of Education for the 2007-2008 and 2008-2009 academic years due to lack of funding.

Agency Request	0.00	900,000	0	0	900,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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## 2. Education Comm'n of the States Dues

This request would provide ongoing funding for annual dues relating to membership in the Education Commission of the States (ECS). Idaho's membership in the ECS is codified at §33-4101 et seq., Idaho Code. Responsibility for payment of annual dues was shifted from the Department of Education to the Office of the State Board of Education (OSBE) in 1998 without a corresponding appropriation. Since that time, OSBE has absorbed the cost of ECS dues within its operating budget, but OSBE no longer has sufficient unobligated funds to cover the annual dues.

Agency Request	0.00	60,500	0	0	60,500
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*The Governor recommends no future funding of annual membership dues for the Education Commission for the States (ECS). Perceived ECS membership benefits do not outweigh the costs. Furthermore, the Governor recommends that the State Board of Education begin the one year formal notification process to withdraw from ECS membership.*

### Controlling Statute:

*Article VIII (D) of §33-4101, Idaho Code, provides that "any party state may withdraw from [the Interstate Compact for Education established by the Education Commission of the States] ... by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the governor of the withdrawing state has given notice in writing of the withdrawal to the governors of all other party states. No withdrawal shall affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal."*

Governor's Recommendation	0.00	0	0	0	0
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## 3. Charter School Comm'n Assistant

The Charter School Commission anticipates that it will almost double the number of schools it currently authorizes by 2010. Currently, the commission has one staff person housed in the Office of the State Board of Education. To reduce benefit costs and probability of high employee turnover, the board requests expansion of a current group administrative assistant position to a full time position, rather than requesting a second, part time position. The commission is currently allocated \$111,800 for personnel costs and \$10,000 for operating expenditures. The commission requests that these existing funds be reallocated to allow for increased operating expenditures while reflecting more accurate personnel costs. Additionally, the commission seeks approval of a line item request for an additional \$14,100 for operating costs. This would provide the commission a total FY 2010 budget of \$136,200, split between personnel costs of \$104,200 and operating expenditures of \$32,700.

Agency Request	0.50	14,100	0	0	14,100
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*Not recommended by the Governor.*

Governor's Recommendation	0.00	0	0	0	0
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# Office of the State Board of Education

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>4. College Access Grant</b>					
This request provides spending authority for the College Access Change Grant Program. This is a federal formula grant program is designed to support states in helping students and families to learn about, prepare for, and finance a postsecondary education with the goal of significantly increasing the number of underrepresented students who enter and remain in postsecondary education. Activities funded by the grant include: (1) advanced opportunities (dual credit and advanced placement); (2) Free Application for Federal Student Aid (FAFSA) preparation programs; (3) postsecondary information and benefits campaign; and (4) postsecondary outreach. This grant requires a 50% match from the grantee. Approved matching funds will come from a variety of sources including: institutional funds provided to high school students taking college courses while in high school; the amount of tuition reduction provided by students taking dual credits on-campus; waivers of admission and/or registration fees provided to dual credit students; institutional funds supporting dual credit outreach and program monitoring; institutional and private support for FAFSA completion; and staff time to support the activities of the grant not covered by other sources.					
Analyst Comment:					
The Higher Education Opportunity Act (Pub. Law No. 110-315) was enacted on August 14, 2008. The act established a maintenance of effort (MOE) requirement for states. For academic years beginning on and after July 1, 2008, each state must maintain a level of funding for public higher education institutions equal to the average amount provided for non-capital and non-research and development expenses in the five most recent academic years. If a state fails to meet the MOE requirement, the Secretary of Education shall withhold the amount of any federal grant to the state under the College Access Challenge Grant program until the state has made "significant efforts" to correct the violation. However, the Secretary does have authority to provide a waiver for states in "exceptional or uncontrollable circumstances" which include sudden and unforeseen declines in a state's budget.					
Agency Request	0.50	0	24,600	305,500	330,100
Governor's Recommendation	0.50	0	24,100	305,000	329,100
<b>5. Educational Technology Pgm Mgr</b>					
The Office of the State Board of Education requests one FTP for an educational technology program manager position to coordinate the data collection and data/systems technology used throughout Idaho's public education institutions. No additional funding is needed.					
Agency Request	1.00	0	0	0	0
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>6. Gov's Initiative: SBOE reorg</b>					<b>GEAR UP</b>
Agency Request	0.00	0	0	0	0
<i>The Governor will propose legislation to focus the State Board of Education on policy setting and limit program operation responsibilities. This line item would transfer the Gaining Early Awareness and Readiness Undergraduate Program (GEAR UP) to the Department of Education.</i>					
Governor's Recommendation	(3.00)	0	0	(2,957,500)	(2,957,500)

# Office of the State Board of Education

Analyst: Freeman

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>7. Gov's Initiative: SBOE reorg</b>				<b>Student Assessment</b>	
Agency Request	0.00	0	0	0	0
<i>The Governor will propose legislation to focus the State Board of Education on policy setting and limit program operation responsibilities. This line item would transfer student assessment to the Department of Education.</i>					
<i>Analyst Comment:</i>					
<i>Base funding of \$500,000 General Funds for achievement standards assessment was transferred from the Department of Education to the Office of the State Board of Education (OSBE) in FY 2001. In FY 2003, 1.0 FTP and \$3.5 million in ongoing General Funds was appropriated to OSBE for assessment and accountability. The State Board of Education later assumed State Education Agency (SEA) responsibilities (and related funding) from the State Department of Education. Each state's SEA is the agency to which all federal education dollars flow. \$5.1 million in federal funds was to be used for, primarily, state assessments as required by the No Child Left Behind Act, but also for teacher quality and language acquisition activities in the public schools. The Governor authorized expenditure of these non-cognizable funds for FY 2004. They were appropriated as an ongoing line item by legislative action beginning in FY 2005. Also included were three new full-time equivalent positions to help the Board office with the additional SEA workload. The FY 2005 General Fund base was then reduced by \$1 million (\$611,700 one-time, \$388,300 ongoing) due to federal funds being available to replace a portion of the General Fund money appropriated for the achievement standards assessment.</i>					
Governor's Recommendation	(3.00)	(2,583,700)	0	(4,412,300)	(6,996,000)
<b>FY 2010 Total</b>					
Agency Request	30.00	6,552,800	185,600	8,995,300	15,733,700
Governor's Recommendation	22.50	2,374,600	185,100	1,620,500	4,180,200
Agency Request					
Change from Original App	2.00	1,425,800	24,600	305,500	1,755,900
% Change from Original App	7.1%	27.8%	15.3%	3.5%	12.6%
Governor's Recommendation					
Change from Original App	(5.50)	(2,752,400)	24,100	(7,069,300)	(9,797,600)
% Change from Original App	(19.6%)	(53.7%)	15.0%	(81.4%)	(70.1%)